



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #622

Space Rental Costs for Law Library (Miscellaneous Appropriations and Supreme Court)

[LFB 2001-03 Budget Summary: Page 458, #4 (part); Page 626, #1 (part)]

CURRENT LAW

The costs associated with the rental of space for the Law Library in the One East Main building is paid for from the capitol offices relocation appropriation that is in the Miscellaneous Appropriations section of the appropriations schedule.

GOVERNOR

Include \$158,800 GPR in 2001-02 in the capitol offices relocation account for payment of three months of rent for the Law Library in the One East Main location. Provide \$1,038,100 GPR in 2001-02 and \$1,069,200 GPR in 2002-03 in the appropriation for the Law Library under the Supreme Court budget for payment of rent for the Law Library in the new Justice Center.

DISCUSSION POINTS

1. There are two separate issues related to the payment of space rental costs for the Law Library in 2001-03. The first issue relates to the payment of rent obligations for the Law Library in its current location at the One East Main building, for which funding is provided from the capitol offices relocation appropriation and the timing of the move of the Law Library to the new Justice Center. The second issue relates to the payment of rent obligations for the Law Library at its new location in the Justice Center, for which funding is to be provided from the separate appropriation under the Supreme Court for the Law Library. Each of these issues is discussed separately below.

Funding for Law Library Space at One East Main

2. The Legislative Reference Bureau (LRB) will be moving into the space currently occupied by the Law Library at One East Main following the Law Library's move to the Justice Center and space remodeling. This move was to have occurred in September, 2001, but will not happen until December, 2001.

3. To correspond with this now expected later move date for the Law Library, an additional three months of funding for the Law Library from the capitol offices relocation appropriation is required. The \$158,000 GPR currently budgeted in the appropriation for 2001-02 would cover three months of rent payments. An additional \$158,800 GPR is needed to cover payments from the capitol offices relocation appropriation for the Law Library's rent obligations until its projected December, 2001, move date.

4. The Committee could increase the 2001-02 level of funding in the capitol offices relocation account for the Law Library by \$158,800 GPR.

Funding for Law Library Space at New Justice Center

5. The funding of \$1,038,100 GPR in 2001-02 and \$1,069,200 GPR in 2002-03 included under the Governor's recommendation in the appropriation for the operation of the State Law Library was based on assigned square footage and projected rental rates for the Law Library in the new Justice Center, assuming its operation as a privately-owned building. Based on the building program recommendation that the building become a state-owned facility, the amount of funding required can be reduced based on an assumed base rental rate for Class A space of \$18.10 per square foot. As with other state agencies, funding for proposed rent increases in next biennium would be available from the separate appropriation under program supplements for this purpose. The amount of funding required is estimated at \$784,600 GPR annually.

6. Based on the above calculation modifications, the Committee could reduce the amounts provided for full funding of lease space costs under the Governor's recommendation for the Law Library by \$253,500 GPR in 2001-02 and by \$284,600 GPR in 2002-03. [It should be noted that, a separate paper under the Legislature will identify a corresponding decrease of approximately \$150,000 in rent associated with the delay in the LRB's move to One East Main.]

ALTERNATIVES

A. Funding for Law Library Space at One East Main

1. Approve the Governor's recommendation.
2. Increase the funding level in the capitol offices relocation appropriation by \$158,800

GPR in 2001-02 to provide for payments for a total of six months funding for the Law Library in its current location at One East Main.

<u>Alternative A2</u>	<u>GPR</u>
2001-03 FUNDING (Change to Bill)	\$158,800

B. Funding for Law Library Space at New Justice Center

1. Approve the Governor's recommendation.
2. Reduce the funding level for Law Library rent at the new Justice Center by \$253,500 GPR in 2001-02 and by \$284,600 GPR in 2002-03 to provide a base level of rent costs for the Law Library in a state-owned Justice Center.

<u>Alternative B2</u>	<u>GPR</u>
2001-03 FUNDING (Change to Bill)	- \$538,100

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